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On CAFTA, Dems Must

By Dick Morris

The Bush administration is planning to submit CAFTA - the Central America Free Trade Agreement - to the Congress for approval.

Democrats and labor unions are indicating their usual opposition, and a fight reminiscent of the North American Free Trade Agreement (NAFTA) battle over trade with Mexico in the early '90s seems about to begin.

But the battle comes at a critical time for the political parties, since the Hispanic vote has come dramatically into play in the recent presidential election.

While Al Gore beat Bush by 65 to 35 percent among Hispanics, Kerry won by only 55 to 45. Hispanics cast 10 million votes in 2004, so the gains Bush made over his 2000 vote share amount to a 2 million vote swing in his favor. Since Bush won by only 3.1 million votes in 2004, the importance of the Latino vote is apparent.

CAFTA is an attempt to bring to the poverty-stricken countries of Central America the benefits of free trade with the colossus of the north. These nations are among the world's poorest, and free trade would be a tremendous boon to their economies.

NAFTA has hurt them, since it has given Mexico a competitive advantage over its neighbors. Why build a factory in Guatemala and pay tariffs to import your products to the United States when you can build it next door in Mexico and import without levies or duties?

Those who oppose illegal immigration cannot have it both ways. Either you alleviate poverty in Central America and encourage would-be immigrants to stay home and share in the increasing wealth or you keep them in poverty and watch as they flock over our borders.

With 2 million people who were born in Central America now living in the United States, the Democrats oppose CAFTA at their peril. These voters will not take kindly to nativist sentiment in the party that says it offers them opportunity and compassion.

Hispanic voters are much less concerned about immigration issues than about free-trade questions. Once they are here and have become citizens and voters, the opening of borders is a far-away issue at best.

But likely each of these voters has family still living in Central America. The more than \$10 billion sent home by Mexicans and Central Americans living here attests to their concern for the folks back home.

If the Democratic Party wants to have an all-out battle with the Republicans over compassion for Central America, it would be a serious mistake.

Bill Clinton's stalwart advocacy of NAFTA likely loomed large in the more than 3-1 margin he racked up among Hispanic voters in 1996. Bush has an opportunity to realize similar gains if the Democrats hand him the issue on a silver platter.

It will be interesting to see how Sen. Hillary Rodham Clinton (D-N.Y.) votes. Will she cater to the wishes of the 207,000 Central Americans (excluding Mexicans) who live in New York or to the AFL-CIO?

On the merits, CAFTA is a no-brainer. With an unemployment rate in the United States of 5 percent, there is no case against free trade, particularly not with a poor and small area like Central America.

The Democratic Party would have little basis for opposing CAFTA, having already extended free trade in textiles to the nations of Africa.

The program to let their fabrics in without quotas or tariffs is one of the most effective forms of foreign aid in African history. Factories are springing up all over the continent to take advantage of the new program, and tens of thousands of people are finding work and getting income as a result.

So why won't the Democrats do for Central America what they did for Africa? Or, put another way, why won't they do for their Hispanic constituents what they did for their African-American voters? Watching them try will make an interesting spectacle for us all.

Dick Morris was an adviser to Bill Clinton for 20 years. Look for Dick's new book "Because He Could" about Bill Clinton.